

## CENTRAL INTELLIGENCE AGENCY NATIONAL FOREIGN ASSESSMENT CENTER

#### 5 September 1980

#### MEMORANDUM

LIKELY CONSEQUENCES IN EASTERN EUROPE OF THE POLISH EVENTS

#### SUMMARY

Over the short to medium term (several months to a year) the Polish regime's granting of political concessions to striking workers will have a greater effect on the regimes than on the populaces elsewhere in Eastern Europe. The regimes will seek to head off any developments similar to those that took place in Poland by using persuasion, assuagement, and—if necessary—intimidation. If Moscow does not force wholesale retraction of the concessions the regime in Warsaw has granted, workers elsewhere in Eastern Europe eventually might raise demands similar to those the Poles have. If the Soviets intervene to prevent the implementation of the concessions, other East Europeans are unlikely to take the risk of emulating the Polish workers.

25X1

<u> </u>	on the leaders	that the events in Po in Eastern Europe.	
This memorandi	um was prepared	bu	the
ice of Political	l Analysis and and and and coordinated		ries are
	on-Eustern Euro		
icer for the US			
		PA M80-10385C C	opy <u>17</u> of 24

Over the short term, the regimes probably will be prepared to make limited concessions—such as increasing the availability of consumer goods, offering limited wage increases to certain workers, and perhaps delaying price increases. At the same time they will increase the workload of party cadre who monitor and seek to direct public opinions and will tighten security. They may also revamp the party-controlled trade unions in an effort to head off criticisms and demands for change. Nervous leaders, however, might over-react to any signs that people are even considering imitating the Polish workers. Harsh political measures or the use of force could precipitate the very thing they wish to avoid—labor unrest and other forms of popular demonstrations.

25X1

East European leaders would become even more concerned if the Polish regime proves unwilling or unable within the next several months to retract some of its concessions. Internally the regimes would most likely continue and intensify their efforts to persuade, assuage, and intimidate. The economic costs of assuaging the populace might, however, soon present a burden that the five countries would be unable and/or unwilling to bear. They would therefore begin--or in the case of the East Germans step up--pressure on the Polish regime to curb the workers. At the same time the East Europeans would probably ask the USSR to provide them with greater economic assistance. The Soviets might comply but would demand a political price--more tightening of internal security and greater allegiance to the Soviet foreign policy line.

25X1

#### Impact on the Workers

We assume that the populaces in Eastern Europe have listened to Western broadcasts and know of the outcome in Poland. We also assume that many East Europeans were vicariously buoyed to learn that a Communist regime was forced to make major concessions to striking workers. It is unlikely, however, that any of the East European populaces will react over the next several months by emulating the Polish workers. In Romania, where there have been a number of minor worker disturbances over this summer, significant numbers of workers might go on strike, but they are likely to press for strictly economic benefits—not for trade unions or other political concessions—and the Ceausescu regime would be able to contain such strikes.

25X1

Despite the victory of the Polish strikers, workers elsewhere in Eastern Europe will be reluctant to challenge regimes that they perceive—probably correctly—as more likely than the one in Poland to reply with prompt and harsh repression. Even in the near term, however, the events in Poland may give rise to greater worker assertiveness within the framework of established grievance procedures. In some cases, moreover, circumstances

could precipitate localized strikes. Such strikes, however, are not likely to reach anything like Polish proportions or to acquire a comparable political content. There is a less glaring disparity between popular expectations and standards of living in the rest of Eastern Europe than in Poland. The workers in the other countries also lack the leadership, self-discipline, and solidarity that their Polish counterparts developed during years of strike experience. Nor can they look for support from vocal and organized political dissidents and an independent and politically influential church.

25X1

### Longer Term Implications

While the short term effects will be limited, over the next several years the impact of the events of the past several weeks could result in more substantial changes in Eastern Europe. Most regimes will be forced in any case to make adjustments that will impede or rule out attempts to boost economic efficiency. Efforts to provide more consumer goods and hesitancy in implementing economically necessary austerity policies would further exacerbate economic and financial problems and delay for years the implementation of economic reform measures that would inevitably be painful. A prolonged period of economic stagnation—of level or slowly declining living standards—seems in prospect, as all the economies of Eastern Europe face austerity imposed by energy problems, demographic developments, and the requirement of improving external hard currency financial positions.

25X1

Politically, the deteriorating economic situation could lead to disputes within the leadership and the populaces could gain the impression that the regimes are not united and are indecisive. This perception might tempt workers and political dissidents to become more assertive and perhaps to cooperate with one another. Under such conditions, the victory of the Polish workers could become an example other East European work forces might seek to emulate. They would still be taking a great risk, however, for they would have less reason to believe that their regimes would necessarily follow the Gierek regime's example or that Moscow would tolerate another "Polish Summer."

25X1

# SUBJECT: Likely Consequences in Eastern Europe of the Polish Events

#### Distribution:

```
Copy # 1 - NSC Staff (Brzezinski)
          # 2 - NSC Staff (Brzezinski)
          # 3 - DCI
          # 4 - DCI
          # 5 - D/NFAC
          # 6 - DD/NFAC
          # 7 - NIC
          # 8 - NIO/USSR-EE
          # 9 - NIO/Warning
          #10 - NSC Coordinators/PBS
          #11 - NSC Coordinators/PBS
          #12 - NSC Coordinators/PBS
          #13 - D/OPA
          #14 - D/OER
          #15 - OPA/PS
          #16 - OPA/PS
         17 - PPG
          #18 - PPG
          #19 - PPG
          #20 - OCO
          #21 - PDB Staff
          #22 - C/OPA/USSR-EE
          #23 - C/USSR-EE/EE Branch/OPA
          #24 - C/EE Branch /OER
                                   (5Sept80)
NFAC/OPA/USSR-EE/EE/
```

25X1

25X1